

Message Text

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ORIGIN STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CEA-01 CIAE-00
COME-00 EB-08 FRB-03 INR-10 NSAE-00 SP-02 TRSE-00
LAB-04 SIL-01 OMB-01 L-03 SS-15 NSC-05 /091 R

DRAFTED BY STR: TGRAHAM/JGREENWALD/PH
APPROVED BY STR: RRIVERS/AWOLFF
STATE: SAHMAD (SUBS)

-----086716 180430Z /73

P 180201Z FEB 78
FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS PRIORITY
USMISSION GENEVA PRIORITY

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USEC FOR HINTON FROM WOLFF

E.O. 11652: N/A

TAGS: GATT, ETRD

SUBJECT: DISC AND RELATED TAX PRACTICES

1. I PLAN TO RAISE THE FOLLOWING POINT WITH DENMAN IN
BRUSSELS NEXT WEEK: EFFORTS BY THE EC IN GENEVA (IN PAR-
TICULAR LUYTEN) TO HAVE THE GATT REPORTS ON THE DISC AND THE
THREE EUROPEAN TAX PRACTICES REOPENED ON QUESTIONS OF SCOPE
OF EXPORT ACTIVITY AND (POSSIBLY) ARMS-LENGTH PRICING RAISE
A SERIOUS PROBLEM FOR US. AT A TIME WHEN THE ADMINISTRATION
IS TRYING TO PHASE OUT THE DISC THROUGH LEGISLATION, THE
SORT OF FINGER POINTING WHICH LUYTEN IS TRYING TO PROMOTE
WILL LIKELY PROVE COUNTERPRODUCTIVE. THE REOPENING OF THE
PANEL REPORTS FOR WHICH THE EC IS PRESSING APPEARS TO BE
INTENDED TO DISCREDIT THE PANEL CONCLUSIONS ON THE EUROPEAN
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TAX PRACTICES WHILE LEAVING THE REPORT ON DISC INTACT. SUCH
A MOVE WOULD IN MY JUDGMENT PROVOKE A CONGRESSIONAL REACTION

THAT COULD STIFFEN RESISTANCE TO THE PRESIDENT'S DISC PRO-

POSAL. I THINK THEN THAT DENMAN SHOULD REIN IN LUYTEN ON
THIS ONE. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMITTEE MEETINGS, TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 18 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE043370
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Drafter: TGRAHAM/JGREENWALD/PH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780075-0295
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780237/aaaabevl.tel
Line Count: 62
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 25e307d4-c288-dd11-92da-001cc4696bcc
Office: ORIGIN STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3546827
Secure: OPEN
Status: NATIVE
Subject: DISC AND RELATED TAX PRACTICES
TAGS: ETRD, GATT
To: BRUSSELS GENEVA MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/25e307d4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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